

Plomosas Mine Production Report November 2018

- **Ore production of 1,582t at grades of 9.0% Zinc, 1.4% Lead**
- **Decline bypass completed and access to more stopes, expected to increase mine production**
- **December production expected to increase with more trucks and extra loading capacity.**

Consolidated Zinc Limited (ASX: CZL or “the Company”) is pleased to provide an update on November 2018 production at its Plomosas zinc-lead-silver mine in Mexico.

Ore Production

NOVEMBER 2018 PRODUCTION STATISTICS			OCT-18	NOV-18	YTD
MINED	ORE	TONNES	237	1,582	2,603
	WASTE	TONNES	758	2,632	3,522
	DEVELOPMENT	METRES	48	144	210
MINED GRADE	ZINC	%	12.9%	9.0%	9.9%
	LEAD	%	3.3%	1.4%	1.94%
TOTAL METAL MINED	ZINC	TONNES	31	143	258
	LEAD	TONNES	8	22	50

During November, CZL completed the decline bypass to remove the bottleneck caused by the prior steep gradient in hauling ore to surface.

Ore hauled to surface of 1,582 tonnes with lower than expected availability of equipment. Mechanical availability is expected to improve in December, allowing for ore haulage to surface to increase in line with expectations. An additional low profile haul truck and scoop tram will also assist to increase December production.

A second ore zone was identified in the stope floor of the 1000 stope, and geologists have mapped this new mineralisation.

Ore Processing

The Santa Eulalia Concentrator has achieved recoveries of 88% Zinc and 86% Lead on Plomosas ore blended with the Santa Eulalia ore. This recovery is higher than expected on a blended basis and, when ore deliveries increase, the Plomosas ore will be campaigned treated to achieve higher recoveries.

Development and production planning

Development drives have opened the 992 SW drive that will allow access to the very high-grade ore zone above Level 5, and 992N has intersected medium-grade ore in the ore strike drive.

The development of an internal decline between the 992mRL level and the 972mRL level advanced 31 metres during the month. The decline, which CZL expects access to be available from February 2019, will improve the transport of ore to the surface and as well as allowing access to the 35,000t ore stope below the Level 5.

12 December 2018

For and on behalf of Consolidated Zinc Limited.

Brad Marwood
Chief Executive Officer

ABOUT CONSOLIDATED ZINC

Consolidated Zinc Limited (ASX:CZL) owns 51% of the historic Plomosas Mine, located 120km from Chihuahua City, Chihuahua State, Mexico with the option to increase its ownership to 90% by the end of 2018. Chihuahua State has a strong mining sector with other large base and precious metal projects in operation within the state. Historical mining at Plomosas between 1945 and 1974 extracted over 2 million tonnes of ore grading 22% Zn+Pb and over 80g/t Ag. Only small-scale mining continued to the present day and the mineralised zones remain open at depth and along strike.

The company has recommenced mining at Plomosas and is committed to exploit the potential of the high grade Zinc, Lead and Silver Mineral Resource through the identification, exploration and exploitation of new zones of mineralisation within and adjacent to the known mineralisation with a view to identify new mineral resources that are exploitable.